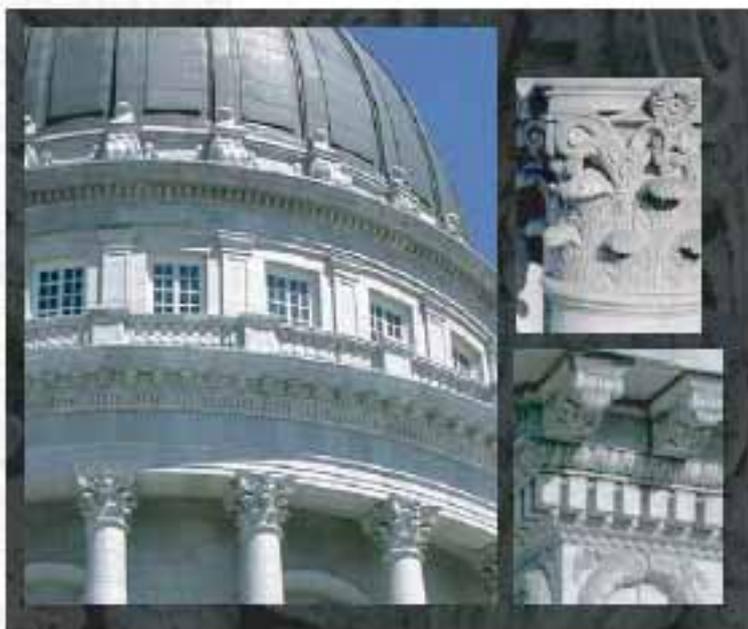


STATE OF UTAH

Comprehensive Annual Financial Report



'07

For the Fiscal Year Ended JUNE 30, 2007

State Of Utah
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2007

CONSTITUTIONAL OFFICERS OF THE STATE OF UTAH

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Gary R. Herbert Lt. Governor
Auston G. Johnson, CPA State Auditor
Edward T. Alter, CPA State Treasurer
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John L. Valentine President of the Senate
Greg J. Curtis Speaker of the House
Christine M. Durham Chief Justice, Supreme Court

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ACKNOWLEDGMENTS

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Special appreciation is given to all of the budget and accounting officers throughout the State whose extra time and effort made this report possible.



Department of Administrative Services: Division of Finance Accounting Standards and Financial Reporting Section

State of Utah
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2007

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State of Utah
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2007

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BASIC FINANCIAL STATEMENTS

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State of Utah

Statement of Net Assets

June 30, 2007

(Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and Cash Equivalents	\$ 1,875,607	\$ 1,190,235	\$ 3,065,842	\$ 1,260,387
Investments	746,104	504,622	1,250,726	1,270,033
Taxes Receivable, net	1,191,060	—	1,191,060	—
Accounts and Interest Receivable, net	563,676	140,059	703,735	341,751
Amounts Due From:				
Component Units	42,213	26	42,239	—
Primary Government	—	—	—	480
Prepaid Items	3,506	3,708	7,214	23,122
Inventories	17,398	24,463	41,861	50,231
Internal Balances	14,468	(14,468)	—	—
Restricted Investments	942,652	76,947	1,019,599	730,767
Deferred Charges	3,177	25,080	28,257	38,273
Notes/Loans/Mortgages/Pledges Receivable, net	16,170	2,613,869	2,630,039	1,267,820
Other Assets	34,175	—	34,175	13,415
Capital Assets:				
Land and Related Non-depreciable Assets	849,445	10,035	859,480	150,384
Infrastructure	7,858,755	—	7,858,755	—
Construction in Progress	1,214,211	990	1,215,201	134,324
Buildings, Equipment, and Other Depreciable Assets	1,735,805	63,629	1,799,434	4,174,074
Less Accumulated Depreciation	(779,355)	(22,192)	(801,547)	(1,864,620)
Total Capital Assets	10,878,861	52,462	10,931,323	2,594,162
Total Assets	16,329,067	4,617,003	20,946,070	7,590,441
LIABILITIES				
Accounts Payable and Accrued Liabilities	744,497	33,297	777,794	274,387
Amounts Due to:				
Component Units	473	7	480	—
Primary Government	—	—	—	42,239
Securities Lending	—	—	—	19,823
Unearned Revenue	96,063	12,346	108,409	67,053
Deposits	—	287	287	98,945
Long-term Liabilities (Note 10)				
Due Within One Year	250,828	77,347	328,175	251,323
Due in More Than One Year	1,564,392	2,174,539	3,738,931	2,192,293
Total Liabilities	2,656,253	2,297,823	4,954,076	2,946,063
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	9,465,667	13,008	9,478,675	2,060,052
Restricted for:				
Transportation	307,937	—	307,937	—
Public Education – Expendable	1,615,516	—	1,615,516	—
Public Education – Nonexpendable	983,881	—	983,881	—
Higher Education – Expendable	—	—	—	826,099
Higher Education – Nonexpendable	—	—	—	530,417
Debt Service	5,622	—	5,622	182,212
Unemployment Compensation and Insurance Programs ..	6,120	838,068	844,188	73,113
Loan Programs	2,583	496,669	499,252	—
Other Purposes – Expendable	121,940	—	121,940	37,680
Unrestricted	1,163,548	971,435	2,134,983	934,805
Total Net Assets	\$ 13,672,814	\$ 2,319,180	\$ 15,991,994	\$ 4,644,378

The Notes to the Financial Statements are an integral part of this statement.

State of Utah

Statement of Activities

For the Fiscal Year Ended June 30, 2007

(Expressed in Thousands)

Activities	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental:				
General Government	\$ 328,779	\$ 156,111	\$ 192,740	\$ —
Human Services and Youth Corrections	634,265	10,889	276,108	—
Corrections, Adult	237,305	4,624	10	—
Public Safety	172,912	43,806	57,314	—
Courts	115,811	46,158	657	—
Health and Environmental Quality	1,620,936	84,938	1,140,909	—
Higher Education	824,503	235	2,125	—
Employment and Family Services	393,938	3,532	326,883	—
Natural Resources	174,711	45,367	65,245	—
Community and Culture	108,110	4,833	39,262	—
Business, Labor, and Agriculture	92,441	63,240	11,282	—
Public Education	2,548,391	69,471	496,288	—
Transportation	702,833	199,277	160,821	122,939
Interest and Other Charges on Long-term Debt	64,019	—	—	—
Total Governmental Activities	<u>8,018,954</u>	<u>732,481</u>	<u>2,769,644</u>	<u>122,939</u>
Business-type:				
Student Assistance Programs	174,220	126,498	69,407	—
Unemployment Compensation	97,692	219,690	34,269	—
Water Loan Programs	13,042	10,634	24,030	—
Other Business-type Activities	176,261	240,905	10,546	—
Total Business-type Activities	<u>461,215</u>	<u>597,727</u>	<u>138,252</u>	<u>0</u>
Total Primary Government	<u>\$ 8,480,169</u>	<u>\$ 1,330,208</u>	<u>\$ 2,907,896</u>	<u>\$ 122,939</u>
Component Units:				
Utah Housing Corporation	\$ 87,640	\$ 99,919	\$ —	\$ —
Public Employees Health Program	564,658	567,562	10,356	—
University of Utah	2,123,266	1,597,552	509,951	192,014
Utah State University	451,775	124,998	188,500	9,395
Nonmajor Colleges and Universities	751,729	305,116	178,775	61,082
Nonmajor Component Units	57,816	27,416	1,127	—
Total Component Units	<u>\$ 4,036,884</u>	<u>\$ 2,722,563</u>	<u>\$ 888,709</u>	<u>\$ 262,491</u>
General Revenues:				
Taxes:				
Sales and Use Tax				
Individual Income Tax Imposed for Education				
Corporate Tax Imposed for Education				
Motor and Special Fuel Taxes Imposed for Transportation				
Other Taxes				
Total Taxes				
Investment Income				
State Funding for Colleges and Universities				
State Funding for Other Component Units				
Gain on Sale of Capital Assets				
Miscellaneous				
Permanent Endowments Contributions				
Transfers—Internal Activities				
Total General Revenues and Transfers				
Change in Net Assets				
Net Assets—Beginning				
Net Assets—Ending				

The Notes to the Financial Statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ 20,072	\$ —	\$ 20,072	\$ —
(347,268)	—	(347,268)	—
(232,671)	—	(232,671)	—
(71,792)	—	(71,792)	—
(68,996)	—	(68,996)	—
(395,089)	—	(395,089)	—
(822,143)	—	(822,143)	—
(63,523)	—	(63,523)	—
(64,099)	—	(64,099)	—
(64,015)	—	(64,015)	—
(17,919)	—	(17,919)	—
(1,982,632)	—	(1,982,632)	—
(219,796)	—	(219,796)	—
(64,019)	—	(64,019)	—
<u>(4,393,890)</u>	<u>0</u>	<u>(4,393,890)</u>	<u>0</u>
—	21,685	21,685	—
—	156,267	156,267	—
—	21,622	21,622	—
—	75,190	75,190	—
<u>0</u>	<u>274,764</u>	<u>274,764</u>	<u>0</u>
<u>(4,393,890)</u>	<u>274,764</u>	<u>(4,119,126)</u>	<u>0</u>
—	—	—	12,279
—	—	—	13,260
—	—	—	176,251
—	—	—	(128,882)
—	—	—	(206,756)
—	—	—	(29,273)
<u>0</u>	<u>0</u>	<u>0</u>	<u>(163,121)</u>
2,131,958	25,440	2,157,398	—
2,667,207	—	2,667,207	—
412,720	—	412,720	—
353,107	—	353,107	—
320,204	—	320,204	—
<u>5,885,196</u>	<u>25,440</u>	<u>5,910,636</u>	<u>0</u>
89,795	—	89,795	1,682
—	—	—	721,005
—	—	—	34,018
52,139	—	52,139	—
37,569	877	38,446	—
—	—	—	23,507
46,778	(46,778)	—	—
<u>6,111,477</u>	<u>(20,461)</u>	<u>6,091,016</u>	<u>780,212</u>
<u>1,717,587</u>	<u>254,303</u>	<u>1,971,890</u>	<u>617,091</u>
<u>11,955,227</u>	<u>2,064,877</u>	<u>14,020,104</u>	<u>4,027,287</u>
<u>\$13,672,814</u>	<u>\$ 2,319,180</u>	<u>\$ 15,991,994</u>	<u>\$ 4,644,378</u>

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Governmental Fund Financial Statements

General Fund

This fund is the principal operating fund of the State. It accounts for all the financial resources of the general government except those required to be accounted for in another fund.

Education Fund

This fund accounts for all revenues from taxes on income that support public and higher education in the State.

Uniform School Fund

This fund is maintained to account for specific revenues and expenditures that support public elementary and secondary schools and the State Office of Education.

Transportation Fund

This fund is maintained to account for revenues and expenditures associated with highway construction and maintenance. Principal funding is provided from dedicated highway user taxes and fees and federal funds.

Transportation Investment Fund

This fund was created by the Legislature to account for revenues and expenditures associated with the maintenance and reconstruction of state and federal highways and designates Centennial Highway projects to be accounted for within this fund. Funding is provided from federal funds, highway general obligation bonds, registration fees, sales and use taxes, and appropriations.

Trust Lands

This permanent fund accounts for land grants and the sale of lands received from the federal *Enabling Act*. The principal in the fund is perpetual, with the earnings used primarily to support public education.

Nonmajor Funds

Nonmajor governmental funds are presented by fund type beginning on page 126.

State of Utah

**Balance Sheet
Governmental Funds**

June 30, 2007

(Expressed in Thousands)

	Special Revenue			
	General	Education	Uniform School	Transportation
ASSETS				
Cash and Cash Equivalents	\$ 511,900	\$ 156,600	\$ 565,492	\$ 264,884
Investments	286,777	152,744	61,113	56,999
Receivables:				
Accounts, net	401,921	1,409	52,212	68,340
Accrued Interest	31	—	—	—
Accrued Taxes, net	377,688	721,350	950	68,031
Notes/Mortgages, net	3,541	—	8,864	360
Due From Other Funds	30,006	156	4,215	48,788
Due From Component Units	5,205	—	—	—
Inventories	—	—	—	12,776
Interfund Loans Receivable	33,816	—	89	—
Other Assets	—	—	—	—
Total Assets	<u>\$ 1,650,885</u>	<u>\$ 1,032,259</u>	<u>\$ 692,935</u>	<u>\$ 520,178</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 396,861	\$ 58,936	\$ 35,456	\$ 152,376
Due To Other Funds	32,796	—	512	6,209
Due To Component Units	13	—	435	—
Deferred Revenue	141,643	406,651	4,808	34,576
Total Liabilities	<u>571,313</u>	<u>465,587</u>	<u>41,211</u>	<u>193,161</u>
Fund Balances:				
Reserved for:				
Nonlapsing Appropriations and Encumbrances	183,960	—	64,264	20,243
Specific Purposes by Statute	214,128	—	37,913	31,042
Interfund Loans Receivable	13,512	—	23	—
Debt Service	—	—	—	—
Unreserved Designated	603,165	566,672	372,577	49,787
Unreserved Designated, reported in nonmajor:				
Debt Service Funds	—	—	—	—
Unreserved Undesignated	64,807	—	176,947	225,945
Unreserved Undesignated, reported in nonmajor:				
Special Revenue Funds	—	—	—	—
Capital Projects Funds	—	—	—	—
Total Fund Balances	<u>1,079,572</u>	<u>566,672</u>	<u>651,724</u>	<u>327,017</u>
Total Liabilities and Fund Balances	<u>\$ 1,650,885</u>	<u>\$ 1,032,259</u>	<u>\$ 692,935</u>	<u>\$ 520,178</u>

The Notes to the Financial Statements are an integral part of this statement.

<u>Special Revenue</u>	<u>Permanent</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Transportation Investment</u>	<u>Trust Lands</u>		
\$ 85,004	\$ 1,881	\$ 227,126	\$ 1,812,887
71,218	942,652	117,253	1,688,756
58	16,137	9,305	549,382
—	2,148	46	2,225
23,041	—	—	1,191,060
—	2,400	155	15,320
3	1,414	7,168	91,750
—	—	36,972	42,177
—	—	—	12,776
—	—	—	33,905
—	34,175	—	34,175
<u>\$ 179,324</u>	<u>\$ 1,000,807</u>	<u>\$ 398,025</u>	<u>\$ 5,474,413</u>
\$ —	\$ —	\$ 77,431	\$ 721,060
46,316	182	13,837	99,852
—	25	—	473
3,200	16,719	23,651	631,248
<u>49,516</u>	<u>16,926</u>	<u>114,919</u>	<u>1,452,633</u>
—	—	243,256	511,723
110,891	983,881	61,361	1,439,216
—	—	—	13,535
—	—	5,733	5,733
18,917	—	—	1,611,118
—	—	17,801	17,801
—	—	—	467,699
—	—	62,579	62,579
—	—	(107,624)	(107,624)
<u>129,808</u>	<u>983,881</u>	<u>283,106</u>	<u>4,021,780</u>
<u>\$ 179,324</u>	<u>\$ 1,000,807</u>	<u>\$ 398,025</u>	<u>\$ 5,474,413</u>

State of Utah

**Reconciliation of the Balance Sheet — Governmental Funds
To the Statement of Net Assets**

June 30, 2007

(Expressed in Thousands)

Total Fund Balances for Governmental Funds \$ 4,021,780

Total net assets reported for governmental activities in the Statement of Net Assets is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds: (See Note 8)

Land and Related Non-depreciable Assets	\$ 849,428	
Infrastructure, Non-depreciable	7,858,755	
Construction-In-Progress	1,214,084	
Buildings, Equipment, and Other Depreciable Assets	1,544,490	
Accumulated depreciation	<u>(661,020)</u>	10,805,737

Some of the State's earned revenues will be collected after yearend, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds. 536,248

Internal service funds are used by management to charge the costs of certain activities, such as insurance, information technology, and fleet operations to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets. 76,800

Bond issue costs are reported as current expenditures in the funds. However, issue costs are deferred and amortized over the life of the bonds and are included in the governmental activities in the Statement of Net Assets. 2,659

Long-term liabilities and related accrued interest are not due and payable in the current period and therefore are not reported in the funds: (See Note 10)

General Obligation and Revenue Bonds Payable	(1,509,798)	
Unamortized Premiums	(66,528)	
Amount Deferred on Refunding	17,672	
Accrued Interest Payable	(1,450)	
Compensated Absences	(185,630)	
Capital Leases	(18,228)	
Contracts Payable	(6,339)	
Arbitrage Liability	<u>(109)</u>	<u>(1,770,410)</u>

Total Net Assets of Governmental Activities \$ 13,672,814

The Notes to the Financial Statements are an integral part of this statement.

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State of Utah

**Statement Of Revenues, Expenditures, And Changes In Fund Balances
Governmental Funds**

For the Fiscal Year Ended June 30, 2007

(Expressed in Thousands)

	Special Revenue			
	General	Education	Uniform School	Transportation
REVENUES				
Taxes:				
Sales and Use Tax	\$ 1,860,703	\$ —	\$ —	\$ 28,877
Individual Income Tax	—	2,589,252	—	—
Corporate Tax	—	411,929	—	—
Motor and Special Fuels Tax	—	—	—	366,446
Other Taxes	274,563	—	28,259	10,327
Total Taxes	<u>2,135,266</u>	<u>3,001,181</u>	<u>28,259</u>	<u>405,650</u>
Other Revenues:				
Federal Contracts and Grants	1,818,571	—	371,600	255,247
Charges for Services/Royalties	267,479	—	1,637	54,955
Licenses, Permits, and Fees	20,479	—	4,886	72,630
Federal Mineral Lease	145,985	—	—	—
Federal Aeronautics	—	—	—	44,074
Intergovernmental	—	—	—	—
Investment Income	94,448	6,009	25,830	6,926
Miscellaneous and Other	166,471	—	19,228	34,883
Total Revenues	<u>4,648,699</u>	<u>3,007,190</u>	<u>451,440</u>	<u>874,365</u>
EXPENDITURES				
Current:				
General Government	242,845	—	—	—
Human Services and Youth Corrections	623,689	—	—	—
Corrections, Adult	225,548	—	—	—
Public Safety	170,306	—	—	—
Courts	118,326	—	—	—
Health and Environmental Quality	1,615,690	—	—	—
Higher Education – State Administration	49,064	—	—	—
Higher Education – Colleges and Universities	693,082	—	—	—
Employment and Family Services	405,902	—	—	—
Natural Resources	166,533	—	—	—
Community and Culture	105,051	—	—	—
Business, Labor, and Agriculture	81,643	—	—	—
Public Education	—	—	2,547,075	—
Transportation	—	—	—	856,502
Capital Outlay	—	—	—	—
Debt Service:				
Principal Retirement	—	—	—	—
Interest and Other Charges	—	—	—	—
Total Expenditures	<u>4,497,679</u>	<u>0</u>	<u>2,547,075</u>	<u>856,502</u>
Excess Revenues Over (Under) Expenditures	<u>151,020</u>	<u>3,007,190</u>	<u>(2,095,635)</u>	<u>17,863</u>
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	—	—	—	6,747
Transfers In	649,271	1,054	2,200,847	146,830
Transfers Out	(589,855)	(2,787,342)	(50,107)	(54,308)
Total Other Financing Sources (Uses)	<u>59,416</u>	<u>(2,786,288)</u>	<u>2,150,740</u>	<u>99,269</u>
Net Change in Fund Balances	210,436	220,902	55,105	117,132
Fund Balances – Beginning	869,136	—	942,389	209,885
Adjustments to Beginning Fund Balances	—	345,770	(345,770)	—
Fund Balances – Beginning As Adjusted	<u>869,136</u>	<u>345,770</u>	<u>596,619</u>	<u>209,885</u>
Fund Balances – Ending	<u>\$ 1,079,572</u>	<u>\$ 566,672</u>	<u>\$ 651,724</u>	<u>\$ 327,017</u>

The Notes to the Financial Statements are an integral part of this statement.

<u>Special Revenue</u>	<u>Permanent</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Transportation Investment</u>	<u>Trust Lands</u>		
\$ 220,152	\$ —	\$ —	\$ 2,109,732
—	—	—	2,589,252
—	—	—	411,929
—	—	—	366,446
—	—	7,055	320,204
<u>220,152</u>	<u>0</u>	<u>7,055</u>	<u>5,797,563</u>
24,024	—	10,574	2,480,016
—	65,373	22,967	412,411
22,354	—	—	120,349
—	—	—	145,985
—	—	—	44,074
—	—	23,332	23,332
2,391	98,631	6,753	240,988
—	—	41,035	261,617
<u>268,921</u>	<u>164,004</u>	<u>111,716</u>	<u>9,526,335</u>
—	—	25,930	268,775
—	—	3,909	627,598
—	—	3,650	229,198
—	—	2,121	172,427
—	—	1,324	119,650
—	—	4,710	1,620,400
—	—	—	49,064
—	—	14,981	708,063
—	—	630	406,532
—	—	4,481	171,014
—	—	3,541	108,592
—	—	9,519	91,162
—	—	346	2,547,421
363,982	—	887	1,221,371
—	—	196,126	196,126
—	—	159,862	159,862
—	—	75,149	75,149
<u>363,982</u>	<u>0</u>	<u>507,166</u>	<u>8,772,404</u>
<u>(95,061)</u>	<u>164,004</u>	<u>(395,450)</u>	<u>753,931</u>
—	40,446	—	47,193
263,684	28,407	430,948	3,721,041
(182,977)	—	(10,026)	(3,674,615)
<u>80,707</u>	<u>68,853</u>	<u>420,922</u>	<u>93,619</u>
(14,354)	232,857	25,472	847,550
144,162	751,024	256,692	3,173,288
—	—	942	942
<u>144,162</u>	<u>751,024</u>	<u>257,634</u>	<u>3,174,230</u>
<u>\$ 129,808</u>	<u>\$ 983,881</u>	<u>\$ 283,106</u>	<u>\$ 4,021,780</u>

State of Utah

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances —
Governmental Funds To the Statement of Activities**

For the Fiscal Year Ended June 30, 2007

(Expressed in Thousands)

Net Change in Fund Balances – Total Governmental Funds \$ 847,550

The change in net assets reported for governmental activities in the Statement of Net Assets is different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The primary government also constructs buildings for component units. When the buildings are completed they are “transferred” to component units and are reported as expenses in the Statement of Activities. This is the amount by which capital outlays \$793,854 exceeded depreciation \$(52,122) and buildings “transferred” to component units \$(67,362) in the current period. (See Note 8) 674,370

In the Statement of Activities, only the gain/loss on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sales increase financial resources. Thus, the change in net assets differs from the change in fund balance by the assets sold. (42,531)

Net effect of revenues reported on the accrual basis in the Statement of Activities that do not provide current financial resources and thus are not reported as revenues in the funds until available. 97,363

Internal service funds are used by management to charge the costs of certain activities, such as insurance, information technology, and fleet operations, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. 3,143

Bond proceeds and capital leases provide current financial resources to governmental funds by issuing debt which increases long-term liabilities in the Statement of Net Assets. Repayments of bond and capital lease principal are expenditures in the governmental funds, but reduce liabilities in the Statement of Net Assets: (See Note 10)

Payment of Bond Principal	\$ 159,862	
Capital Lease Payments	<u>1,416</u>	161,278

Expenditures are recognized in the governmental funds when paid or due for: items not normally paid with available financial resources; interest on long-term debt unless certain conditions are met; and bond issue costs. However, the Statement of Activities is presented on the accrual basis and expenses and liabilities are reported when incurred, regardless of when financial resources are available or expenditures are paid or due. This adjustment combines the net changes of the following balances:

Compensated Absences Expenses	(36,868)	
Arbitrage Interest Expense	(109)	
Accrued Interest on Bonds Payable	106	
Amortization of Bond Premiums	16,759	
Amortization of Amount Deferred on Refunding	(3,807)	
Deferred Bond Issue Costs	(620)	
Contracts Payable Payments	<u>953</u>	<u>(23,586)</u>

Change in Net Assets of Governmental Activities \$ 1,717,587

The Notes to the Financial Statements are an integral part of this statement.

Proprietary Fund Financial Statements

Student Assistance Programs

These programs are comprised of two programs administered by the State Board of Regents: the Utah Higher Education Assistance Authority Student Loan Guarantee Program and the Student Loan Purchase Program. The purpose of these programs is to guarantee the repayment of student loans made by participating lenders to eligible student borrowers and to make loans to, and purchase the loans of, qualified students attending eligible institutions of higher education. Funds are acquired from the sale of bonds, lines-of-credit, variable rate demand notes, and financing agreements with the Student Loan Marketing Association.

Unemployment Compensation Fund

This fund pays claims for unemployment to eligible recipients and is funded through employer contributions and reimbursements, and federal grants.

Water Loan Programs

These programs provide loans to local governments, water districts, and other entities for the purpose of upgrading water storage facilities and other related structures. Capital for this fund has been provided from the General Fund or from general obligation bonds that have been repaid from general tax revenues. Additional funds have been generated by issuing revolving fund recapitalization revenue bonds that were secured by notes receivable and repaid from the collection of these notes.

Nonmajor Funds

Nonmajor enterprise funds are presented beginning on page 150.

Governmental Activities – Internal Service Funds

These funds are maintained to account for the operation of state agencies that provide goods or services to other state agencies and other governmental units on a cost-reimbursement basis. These funds are presented in more detail beginning on page 160.

State of Utah

**Statement Of Net Assets
Proprietary Funds**

June 30, 2007

(Expressed in Thousands)

	Business-type Activities – Enterprise Funds			
	Student Assistance Programs	Unemployment Compensation Fund	Water Loan Programs	Nonmajor Enterprise Funds
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 90,566	\$ 778,126	\$ 112,520	\$ 209,023
Investments	503,553	—	—	—
Receivables:				
Accounts, net	21,632	70,572	912	10,525
Accrued Interest	21,758	—	6,332	3,705
Notes/Loans/Mortgages, net	72,814	—	28,986	18,320
Due From Other Funds	—	—	279	10,056
Due From Component Units	—	—	—	26
Prepaid Items	3,675	—	—	33
Inventories	—	—	—	24,463
Deferred Charges	—	—	—	—
Total Current Assets	<u>713,998</u>	<u>848,698</u>	<u>149,029</u>	<u>276,151</u>
Noncurrent Assets:				
Restricted Investments	76,947	—	—	—
Investments	—	—	—	1,069
Prepaid Items	—	—	—	—
Accrued Interest Receivable	—	—	3,894	729
Notes/Loans/Mortgages Receivables, net	1,701,485	—	490,231	302,033
Deferred Charges	25,080	—	—	—
Capital Assets:				
Land	—	—	—	10,035
Infrastructure	—	—	—	304
Buildings and Improvements	12,344	—	—	35,907
Machinery and Equipment	1,558	—	—	13,516
Construction in Progress	—	—	—	990
Less Accumulated Depreciation	(2,298)	—	—	(19,894)
Total Capital Assets	<u>11,604</u>	<u>0</u>	<u>0</u>	<u>40,858</u>
Total Noncurrent Assets	<u>1,815,116</u>	<u>0</u>	<u>494,125</u>	<u>344,689</u>
Total Assets	<u>2,529,114</u>	<u>848,698</u>	<u>643,154</u>	<u>620,840</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	19,967	753	306	11,902
Deposits	—	190	—	97
Due To Other Funds	—	7,540	89	17,283
Due To Component Units	—	—	—	7
Interfund Loans Payable	—	—	—	—
Unearned Revenue	2,102	—	69	3,818
Policy Claims and Uninsured Liabilities	1,207	2,147	—	—
Contracts/Notes Payable	—	—	—	—
Revenue Bonds Payable	72,145	—	—	1,687
Arbitrage Liability	161	—	—	—
Total Current Liabilities	<u>95,582</u>	<u>10,630</u>	<u>464</u>	<u>34,794</u>
Noncurrent Liabilities:				
Accrued Liabilities	260	—	—	—
Unearned Revenue	6,357	—	—	—
Interfund Loans Payable	—	—	—	—
Policy Claims and Uninsured Liabilities	1,324	—	—	—
Contracts/Notes Payable	—	—	—	—
Revenue Bonds Payable	2,065,552	—	—	35,337
Arbitrage Liability	72,326	—	—	—
Total Noncurrent Liabilities	<u>2,145,819</u>	<u>0</u>	<u>0</u>	<u>35,337</u>
Total Liabilities	<u>2,241,401</u>	<u>10,630</u>	<u>464</u>	<u>70,131</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	1,631	—	—	11,377
Restricted for:				
Unemployment Compensation and Insurance Programs ...	—	838,068	—	—
Loan Programs	195,860	—	259,150	41,659
Unrestricted (Deficit)	90,222	—	383,540	497,673
Total Net Assets	<u>\$ 287,713</u>	<u>\$ 838,068</u>	<u>\$ 642,690</u>	<u>\$ 550,709</u>

The Notes to the Financial Statements are an integral part of this statement

<u>Total</u>	<u>Governmental Activities – Internal Service Funds</u>
\$ 1,190,235	\$ 62,720
503,553	—
103,641	5,664
31,795	—
120,120	156
10,335	34,161
26	36
3,708	2,394
24,463	4,622
—	7
<u>1,987,876</u>	<u>109,760</u>
76,947	—
1,069	—
—	421
4,623	—
2,493,749	694
25,080	511
10,035	17
304	321
48,251	7,323
15,074	183,671
990	127
(22,192)	(118,335)
<u>52,462</u>	<u>73,124</u>
<u>2,653,930</u>	<u>74,750</u>
<u>4,641,806</u>	<u>184,510</u>
32,928	18,985
287	—
24,912	8,188
7	—
—	20,371
5,989	207
3,354	11,929
—	43
73,832	51
161	—
<u>141,470</u>	<u>59,774</u>
260	—
6,357	165
—	13,534
1,324	32,826
—	559
2,100,889	852
72,326	—
<u>2,181,156</u>	<u>47,936</u>
<u>2,322,626</u>	<u>107,710</u>
13,008	72,235
838,068	6,120
496,669	2,583
971,435	(4,138)
<u>\$ 2,319,180</u>	<u>\$ 76,800</u>

State of Utah**Statement Of Revenues, Expenses, And Changes In Fund Net Assets
Proprietary Funds**

For the Fiscal Year Ended June 30, 2007

(Expressed in Thousands)

	Business-type Activities – Enterprise Funds			
	Student Assistance Programs	Unemployment Compensation Fund	Water Loan Programs	Nonmajor Enterprise Funds
OPERATING REVENUES				
Sales and Charges for Services/Premiums	\$ 53,044	\$ 219,690	\$ 427	\$ 230,865
Fees and Assessments	4,211	—	—	3,738
Interest on Notes/Mortgages	67,827	—	10,207	5,871
Federal Reinsurance and Allowances/Reimbursements	33,731	837	—	—
Investment Income	—	—	—	9
Miscellaneous	1,416	—	—	431
Total Operating Revenues	<u>160,229</u>	<u>220,527</u>	<u>10,634</u>	<u>240,914</u>
OPERATING EXPENSES				
Administration	4,250	—	—	28,157
Purchases, Materials, and Services for Resale	—	—	—	129,358
Grants	—	—	11,763	377
Rentals and Leases	—	—	—	1,902
Maintenance	—	—	—	2,439
Interest	102,646	—	—	—
Depreciation	525	—	—	1,626
Student Loan Servicing and Related Expenses	23,951	—	—	—
Payment to Lenders for Guaranteed Claims	35,287	—	—	—
Benefit Claims and Unemployment Compensation	—	97,692	—	—
Supplies and Other Miscellaneous	7,561	—	1,279	10,732
Total Operating Expenses	<u>174,220</u>	<u>97,692</u>	<u>13,042</u>	<u>174,591</u>
Operating Income (Loss)	<u>(13,991)</u>	<u>122,835</u>	<u>(2,408)</u>	<u>66,323</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Income	35,676	33,432	5,739	8,783
Federal Grants	—	—	18,291	1,754
Gain (Loss) on Sale of Capital Assets	—	—	—	—
Tax Revenues	—	—	24,915	525
Interest Expense	—	—	—	(1,670)
Refunds Paid to Federal Government	—	—	—	—
Other Revenues (Expenses)	877	—	—	—
Total Nonoperating Revenues (Expenses)	<u>36,553</u>	<u>33,432</u>	<u>48,945</u>	<u>9,392</u>
Income (Loss) before Transfers	<u>22,562</u>	<u>156,267</u>	<u>46,537</u>	<u>75,715</u>
Transfers In	—	—	1,582	55,343
Transfers Out	—	(5,327)	(3,371)	(95,005)
Change in Net Assets	<u>22,562</u>	<u>150,940</u>	<u>44,748</u>	<u>36,053</u>
Net Assets – Beginning	265,151	687,128	597,942	514,656
Adjustments to Beginning Net Assets	—	—	—	—
Net Assets – Beginning as Adjusted	<u>265,151</u>	<u>687,128</u>	<u>597,942</u>	<u>514,656</u>
Net Assets – Ending	<u>\$ 287,713</u>	<u>\$ 838,068</u>	<u>\$ 642,690</u>	<u>\$ 550,709</u>

The Notes to the Financial Statements are an integral part of this statement.

<u>Total</u>	<u>Governmental Activities – Internal Service Funds</u>
\$ 504,026	\$ 277,305
7,949	—
83,905	—
34,568	—
9	18
1,847	33
<u>632,304</u>	<u>277,356</u>
32,407	102,883
129,358	74,986
12,140	—
1,902	4,977
2,439	22,119
102,646	—
2,151	16,356
23,951	—
35,287	—
97,692	9,765
19,572	46,375
<u>459,545</u>	<u>277,461</u>
<u>172,759</u>	<u>(105)</u>
83,630	3,232
20,045	—
—	452
25,440	—
(1,670)	(67)
—	(721)
877	—
<u>128,322</u>	<u>2,896</u>
301,081	2,791
56,925	352
<u>(103,703)</u>	<u>—</u>
254,303	3,143
2,064,877	74,599
—	(942)
<u>2,064,877</u>	<u>73,657</u>
<u>\$ 2,319,180</u>	<u>\$ 76,800</u>

State of Utah

**Statement Of Cash Flows
Proprietary Funds**

For the Fiscal Year Ended June 30, 2007

(Expressed in Thousands)

	Business-type Activities – Enterprise Funds			
	Student Assistance Programs	Unemployment Compensation Fund	Water Loan Programs	Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers/Loan Interest/Fees/Premiums ...	\$ 64,338	\$ 234,463	\$ 10,628	\$ 269,193
Receipts from Loan Maturities	430,504	—	31,806	26,258
Receipts Federal Reinsurance & Allowances/Reimburse ..	91,446	895	—	—
Receipts from State Customers	9,138	—	—	11,367
Student Loan Disbursements Received from Lenders	359,399	—	—	—
Student Loan Disbursements Sent to Schools/Lenders	(359,617)	—	—	—
Payments to Suppliers/Claims/Grants	(30,029)	(96,917)	(12,456)	(143,972)
Disbursements for Loans Receivable	(444,679)	—	(51,251)	(54,165)
Payments on Loan Guarantees	(36,387)	—	—	—
Payments for Employee Services and Benefits	(9,403)	—	—	(26,359)
Payments to State Suppliers and Grants	—	—	(1,283)	(7,120)
Payments of Sales, School Lunch, and Premium Taxes	—	—	—	(36,302)
Net Cash Provided (Used) by				
Operating Activities	<u>74,710</u>	<u>138,441</u>	<u>(22,556)</u>	<u>38,900</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Borrowings Under Interfund Loans	—	—	—	7,603
Repayments Under Interfund Loans	—	—	—	(9,385)
Receipts from Bonds, Notes, and Deposits	—	109	—	—
Payments of Bonds, Notes, Deposits, and Refunds	(430)	(31)	—	—
Interest Paid on Bonds, Notes, and Financing Costs	(102,044)	—	—	—
Federal Grants and Other Revenues	—	—	18,291	1,551
Restricted Sales Tax	—	—	24,916	525
Transfers In from Other Funds	743	—	1,582	52,259
Transfers Out to Other Funds	—	—	(3,370)	(73,325)
Net Cash Provided (Used) by				
Noncapital Financing Activities	<u>(101,731)</u>	<u>78</u>	<u>41,419</u>	<u>(20,772)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Repayments Under Interfund Loans	—	—	—	—
Proceeds from Bond and Note Debt Issuance	—	—	—	5,456
Proceeds from Disposition of Capital Assets	—	—	—	—
Principal Paid on Debt and Contract Maturities	—	—	—	(1,134)
Acquisition and Construction of Capital Assets	(836)	—	—	(6,392)
Interest Paid on Bonds, Notes, and Capital Leases	—	—	—	(1,681)
Transfers In from Other Funds	—	—	—	3,085
Transfers Out to Other Funds	—	(5,327)	—	(1,936)
Net Cash Provided (Used) by				
Capital and Related Financing Activities	<u>(836)</u>	<u>(5,327)</u>	<u>0</u>	<u>(2,602)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from the Sale and Maturity of Investments	602,202	—	—	—
Receipts of Interest and Dividends from Investments	34,579	33,432	5,738	8,777
Payments to Purchase Investments	(599,140)	—	—	—
Net Cash Provided (Used) by				
Investing Activities	<u>37,641</u>	<u>33,432</u>	<u>5,738</u>	<u>8,777</u>
Net Cash Provided (Used) – All Activities	9,784	166,624	24,601	24,303
Cash and Cash Equivalents – Beginning	80,782	611,502	87,919	184,720
Cash and Cash Equivalents – Ending	<u>\$ 90,566</u>	<u>\$ 778,126</u>	<u>\$ 112,520</u>	<u>\$ 209,023</u>

The Notes to the Financial Statements are an integral part of this statement.

<u>Total</u>	<u>Governmental Activities – Internal Service Funds</u>
\$ 578,622	\$ 42,739
488,568	—
92,341	—
20,505	212,839
359,399	—
(359,617)	—
(283,374)	(95,880)
(550,095)	(850)
(36,387)	—
(35,762)	(100,504)
(8,403)	(52,494)
(36,302)	—
229,495	5,850
7,603	9,966
(9,385)	—
109	—
(461)	(727)
(102,044)	(25)
19,842	—
25,441	—
54,584	—
(76,695)	—
(81,006)	9,214
0	(3,588)
5,456	—
0	3,492
(1,134)	(48)
(7,228)	(19,151)
(1,681)	(43)
3,085	352
(7,263)	—
(8,765)	(18,986)
602,202	—
82,526	3,232
(599,140)	—
85,588	3,232
225,312	(690)
964,923	63,410
\$ 1,190,235	\$ 62,720

Continues

State of Utah

**Statement Of Cash Flows
Proprietary Funds**

Continued

For the Fiscal Year Ended June 30, 2007

(Expressed in Thousands)

	Business-type Activities – Enterprise Funds			
	Student Assistance Programs	Unemployment Compensation Fund	Water Loan Programs	Nonmajor Enterprise Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (13,991)	\$ 122,835	\$ (2,408)	\$ 66,323
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	525	—	—	1,626
Interest Expense for Noncapital and Capital Financing	96,464	—	—	—
Miscellaneous Gains, Losses, and Other Items	5,833	—	—	72
Net Changes in Assets and Liabilities:				
Accounts Receivable/Due From Other Funds	4,984	18,057	1,521	2,804
Notes/Accrued Interest Receivables	(22,260)	—	(21,372)	(28,608)
Inventories	—	—	—	(1,892)
Prepaid Items/Deferred Charges	(5)	—	—	—
Accrued Liabilities/Due to Other Funds	3,160	(2,028)	(297)	(2,729)
Unearned Revenue/Deposits	—	—	—	1,304
Notes Payable	—	—	—	—
Policy Claims Liabilities	—	(423)	—	—
Net Cash Provided (Used) by Operating Activities	<u>\$ 74,710</u>	<u>\$ 138,441</u>	<u>\$ (22,556)</u>	<u>\$ 38,900</u>
SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Increase (Decrease) in Fair Value of Investments	\$ —	\$ —	\$ (20)	\$ (33)
Contributed Capital Assets Transferred In (Out)	<u>—</u>	<u>—</u>	<u>—</u>	<u>(19,745)</u>
Total Noncash Investing, Capital, and Financing Activities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (20)</u>	<u>\$ (19,778)</u>

The Notes to the Financial Statements are an integral part of this statement.

<u>Total</u>	<u>Governmental Activities – Internal Service Funds</u>
\$ 172,759	\$ (105)
2,151	16,356
96,464	—
5,905	—
27,366	(21,334)
(72,240)	(850)
(1,892)	458
(5)	(1,783)
(1,894)	15,558
1,304	(444)
0	(36)
(423)	(1,970)
<u>\$ 229,495</u>	<u>\$ 5,850</u>

\$ (53)	\$ (12)
<u>(19,745)</u>	<u>—</u>
<u>\$ (19,798)</u>	<u>\$ (12)</u>

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Fiduciary Fund Financial Statements

Pension and Other Employee Benefit Trust Funds

These funds are used to account for defined benefit pension plans and defined contribution plans administered by the Utah Retirement Systems, and to account for the State Post-Retirement Benefits Trust Fund, a defined benefit Other Postemployment Benefit Plan (OPEB Plan) administered by the State.

Investment Trust Fund

This fund is used to account for the investments related to external participants in the Utah State Public Treasurer's Investment Fund.

Private Purpose Trust Funds

These funds are used to report resources of all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

Agency Funds

Agency funds account for assets held by the State as an agent for other governmental units, other organizations, or individuals.

Individual funds are presented by fund type beginning on page 170.

State of Utah

**Statement Of Fiduciary Net Assets
Fiduciary Funds**

June 30, 2007

(Expressed in Thousands)

	Pension and Other Employee Benefit Trust Funds	Investment Trust Fund	Private Purpose Trust Funds	Agency Funds
ASSETS				
Cash and Cash Equivalents	\$ 2,148,053	\$ 1,076	\$ 54,213	\$ 156,298
Receivables:				
Accounts	124	—	6,158	2,075
Contributions	34,374	—	—	—
Investments	318,904	—	—	—
Accrued Interest	—	55,926	—	—
Accrued Assessments	—	—	11,272	—
Due From Other Funds	1,997	—	630	484
Investments:				
Debt Securities	5,406,975	5,406,020	634,214	22,600
Equity Investments	11,549,185	—	1,855,654	—
Absolute Return	1,197,638	—	—	—
Private Equity	802,584	—	—	—
Real Estate	3,329,763	—	—	—
Mortgage Loans	6,848	—	—	—
Invested Securities Lending Collateral	2,256,337	—	—	—
Investment Contracts	43,918	—	—	—
Total Investments	<u>24,593,248</u>	<u>5,406,020</u>	<u>2,489,868</u>	<u>22,600</u>
Capital Assets:				
Land	1,779	—	260	—
Buildings and Improvements	11,241	—	4,566	—
Machinery and Equipment	3,196	—	787	—
Construction in Progress	—	—	378	—
Less Accumulated Depreciation	(14,184)	—	(1,937)	—
Total Capital Assets	<u>2,032</u>	<u>0</u>	<u>4,054</u>	<u>0</u>
Total Assets	<u>27,098,732</u>	<u>5,463,022</u>	<u>2,566,195</u>	<u>\$ 181,457</u>
LIABILITIES				
Accounts Payable	1,034,061	—	2,034	\$ —
Securities Lending Liability	2,256,337	—	—	—
Due To Other Funds	—	—	6,405	—
Due To Individuals, Organizations, and Other Governments	—	—	—	181,457
Unearned Revenue	—	—	286	—
Leave/Postemployment Benefits	7,625	—	—	—
Policy Claims Liabilities/Insurance Reserves	6,268	—	278,667	—
Real Estate Liabilities	1,273,254	—	—	—
Total Liabilities	<u>4,577,545</u>	<u>0</u>	<u>287,392</u>	<u>\$ 181,457</u>
NET ASSETS				
Held in trust for:				
Pension Benefits	19,829,629	—	—	—
Other Postemployment Benefits	28,042	—	—	—
Defined Contribution	2,663,516	—	—	—
Pool Participants	—	5,463,022	—	—
Individuals, Organizations, and Other Governments	—	—	2,278,803	—
Total Net Assets	<u>\$ 22,521,187</u>	<u>\$ 5,463,022</u>	<u>\$ 2,278,803</u>	—
Participant Account Balance Net Asset Valuation Factor		<u>0.999798</u>		

The Notes to the Financial Statements are an integral part of this statement.

State of Utah

**Statement Of Changes In Fiduciary Net Assets
Fiduciary Funds**

For the Fiscal Year Ended June 30, 2007

(Expressed in Thousands)

	Pension and Other Employee Benefit Trust Funds	Investment Trust Fund	Private Purpose Trust Funds
ADDITIONS			
Contributions:			
Member	\$ 269,735	\$ —	\$ 508,763
Employer	573,904	—	—
Court Fees and Fire Insurance Premiums	11,241	—	—
Total Contributions	<u>854,880</u>	<u>0</u>	<u>508,763</u>
Pool Participant Deposits	—	7,693,739	—
Investment Income:			
Net Increase (Decrease) in Fair Value of Investments	2,277,984	275	249,293
Interest, Dividends, and Other Investment Income	551,522	304,472	63,055
Less Investment Expenses	(58,509)	(164)	—
Net Investment Income	<u>2,770,997</u>	<u>304,583</u>	<u>312,348</u>
Transfers From Affiliated Systems	6,481	—	—
Other Additions:			
Escheats	—	—	19,229
Royalties and Rents	—	—	4,017
Fees, Assessments, and Revenues	—	—	82,059
Miscellaneous	—	—	46,548
Total Other	<u>0</u>	<u>0</u>	<u>151,853</u>
Total Additions	<u>3,632,358</u>	<u>7,998,322</u>	<u>972,964</u>
DEDUCTIONS			
Pension Benefits	709,799	—	—
Retiree Healthcare Benefits	23,850	—	—
Refunds/Plan Distributions	155,417	—	—
Earnings Distribution	—	302,539	—
Pool Participant Withdrawals	—	6,545,396	—
Transfers To Affiliated Systems	6,481	—	—
Trust Operating Expenses	—	—	32,378
Distributions and Benefit Payments	—	—	58,138
Administrative and General Expenses	15,849	—	12,218
Total Deductions	<u>911,396</u>	<u>6,847,935</u>	<u>102,734</u>
Change in Net Assets Held in Trust for:			
Pension Benefits	2,371,480	—	—
Other Postemployment Benefits	28,042	—	—
Defined Contributions	321,440	—	—
Pool Participants	—	1,150,387	—
Individuals, Organizations, and Other Governments	—	—	870,230
Net Assets – Beginning	19,800,225	4,312,635	1,408,573
Net Assets – Ending	<u>\$ 22,521,187</u>	<u>\$ 5,463,022</u>	<u>\$ 2,278,803</u>

The Notes to the Financial Statements are an integral part of this statement.

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Component Unit Financial Statements

Utah Housing Corporation

The Corporation was created to provide an alternative source of funding for home mortgages, particularly for lower income families. It is funded entirely through the issuance of bonds, which are repaid from the interest and principal payments made on mortgages.

Public Employees Health Program

This Program provides employee medical and other insurance services predominantly for agencies of the State. It also provides claims processing and insurance services for local governments and other public entities within Utah.

University of Utah and Utah State University

These universities are funded through state appropriations, tuition, federal grants, and private donations and grants. In addition to instruction, these universities provide research and other services. The operations of the University of Utah also include its hospital and clinics.

Nonmajor Component Units

Nonmajor component units are presented beginning on page 182.

State of Utah**Combining Statement Of Net Assets
Component Units**

June 30, 2007

(Expressed in Thousands)

	Utah Housing Corporation	Public Employees Health Program	University of Utah	Utah State University
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 436,095	\$ 12,971	\$ 551,160	\$ 22,566
Investments	—	40,575	386,385	32,030
Receivables:				
Accounts, net	—	24,285	221,637	48,301
Notes/Loans/Mortgages/Pledges, net	19,095	—	42,359	4,936
Accrued Interest	5,062	1,231	9,389	—
Due From Primary Government	—	—	—	—
Prepaid Items	2,413	14,953	—	1,316
Inventories	—	—	32,374	4,341
Deferred Charges	—	—	11,645	—
Total Current Assets	<u>462,665</u>	<u>94,015</u>	<u>1,254,949</u>	<u>113,490</u>
Noncurrent Assets:				
Restricted Investments	118,104	—	464,370	69,754
Accounts Receivables, net	—	—	—	422
Investments	173,826	145,069	222,777	122,176
Notes/Loans/Mortgages/Pledges Receivables, net	1,092,711	—	69,523	10,828
Deferred Charges	11,077	—	15,241	—
Other Assets	6,266	—	—	—
Capital Assets (net of Accumulated Depreciation)	6,531	712	1,248,432	462,574
Total Noncurrent Assets	<u>1,408,515</u>	<u>145,781</u>	<u>2,020,343</u>	<u>665,754</u>
Total Assets	<u>1,871,180</u>	<u>239,796</u>	<u>3,275,292</u>	<u>779,244</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	52,965	15,826	139,993	37,097
Securities Lending Liability	—	19,823	—	—
Deposits	—	—	87,299	369
Due To Primary Government	—	5,040	19,566	3,918
Unearned Revenue	—	4,153	26,609	16,904
Current Portion of Long-term Liabilities (Note 10)	122,898	68,043	28,061	11,826
Total Current Liabilities	<u>175,863</u>	<u>112,885</u>	<u>301,528</u>	<u>70,114</u>
Noncurrent Liabilities:				
Accrued Liabilities	693	—	—	—
Unearned Revenue	—	—	—	1,490
Deposits	—	—	9,400	—
Due To Primary Government	—	—	7,230	—
Long-term Liabilities (Note 10)	1,477,532	53,086	420,975	121,991
Total Noncurrent Liabilities	<u>1,478,225</u>	<u>53,086</u>	<u>437,605</u>	<u>123,481</u>
Total Liabilities	<u>1,654,088</u>	<u>165,971</u>	<u>739,133</u>	<u>193,595</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	2,889	712	927,224	364,321
Restricted for:				
Nonexpendable:				
Higher Education	—	—	361,955	67,993
Expendable:				
Higher Education	—	—	552,205	115,691
Debt Service	182,212	—	—	—
Insurance Plans	—	73,113	—	—
Other	—	—	—	37,644
Unrestricted	31,991	—	694,775	—
Total Net Assets	<u>\$ 217,092</u>	<u>\$ 73,825</u>	<u>\$ 2,536,159</u>	<u>\$ 585,649</u>

The Notes to the Financial Statements are an integral part of this statement.

Nonmajor Component Units	Total
\$ 237,595	\$ 1,260,387
21,469	480,459
30,665	324,888
6,829	73,219
759	16,441
480	480
4,440	23,122
13,516	50,231
310	11,955
<u>316,063</u>	<u>2,241,182</u>
78,539	730,767
—	422
125,726	789,574
21,539	1,194,601
—	26,318
7,149	13,415
<u>875,913</u>	<u>2,594,162</u>
<u>1,108,866</u>	<u>5,349,259</u>
<u>1,424,929</u>	<u>7,590,441</u>
27,813	273,694
—	19,823
1,075	88,743
5,050	33,574
17,897	65,563
20,495	251,323
<u>72,330</u>	<u>732,720</u>
—	693
—	1,490
802	10,202
1,435	8,665
<u>118,709</u>	<u>2,192,293</u>
<u>120,946</u>	<u>2,213,343</u>
<u>193,276</u>	<u>2,946,063</u>
764,906	2,060,052
100,469	530,417
158,203	826,099
—	182,212
—	73,113
36	37,680
208,039	934,805
<u>\$ 1,231,653</u>	<u>\$ 4,644,378</u>

State of Utah

**Combining Statement Of Activities
Component Units**

For the Fiscal Year Ended June 30, 2007

(Expressed in Thousands)

	Utah Housing Corporation	Public Employees Health Program	University of Utah	Utah State University
Expenses	<u>\$ 87,640</u>	<u>\$ 564,658</u>	<u>\$ 2,123,266</u>	<u>\$ 451,775</u>
Program Revenues:				
Charges for Services:				
Tuition and Fees	—	—	170,922	91,634
Scholarship Allowances	—	—	(18,102)	(26,281)
Sales, Services, and Other Revenues (net of University of Utah patient services allowance of \$41,552)	99,919	567,562	1,444,732	59,645
Operating Grants and Contributions	—	10,356	509,951	188,500
Capital Grants and Contributions	—	—	192,014	9,395
Total Program Revenues	<u>99,919</u>	<u>577,918</u>	<u>2,299,517</u>	<u>322,893</u>
Net (Expenses) Revenues	<u>12,279</u>	<u>13,260</u>	<u>176,251</u>	<u>(128,882)</u>
General Revenues:				
State Appropriations	—	—	269,700	144,866
Unrestricted Investment Income	—	—	—	—
Permanent Endowments Contributions	—	—	17,185	3,043
Total General Revenues	<u>0</u>	<u>0</u>	<u>286,885</u>	<u>147,909</u>
Change in Net Assets	<u>12,279</u>	<u>13,260</u>	<u>463,136</u>	<u>19,027</u>
Net Assets – Beginning	<u>204,813</u>	<u>60,565</u>	<u>2,073,023</u>	<u>566,622</u>
Net Assets – Ending	<u>\$ 217,092</u>	<u>\$ 73,825</u>	<u>\$ 2,536,159</u>	<u>\$ 585,649</u>

The Notes to the Financial Statements are an integral part of this statement.

Nonmajor Component Units	Total
<u>\$ 809,545</u>	<u>\$ 4,036,884</u>
258,885	521,441
(40,288)	(84,671)
113,935	2,285,793
179,902	888,709
61,082	262,491
<u>573,516</u>	<u>3,873,763</u>
<u>(236,029)</u>	<u>(163,121)</u>
340,457	755,023
1,682	1,682
3,279	23,507
<u>345,418</u>	<u>780,212</u>
<u>109,389</u>	<u>617,091</u>
1,122,264	4,027,287
<u><u>\$ 1,231,653</u></u>	<u><u>\$ 4,644,378</u></u>